

## CHESAPEAKE & OHIO DEFERS DIVIDEND

President Harman cannot see a glowing outlook for Road's Profits This Year.

1921 profits will be somewhat lower, because the shrinkage of other values since the peak of 1920 has been tremendous. Drastic and it will be chargeable against the company's 1921 income. Indeed, its report warns that material deductions from 1921 profits may be necessary in writing down inventories.

**Pittsburgh and West Virginia.**

Notwithstanding the heaviness in the rest of the list yesterday, the group which has been buying Pittsburgh and West Virginia shares in past weeks continued its work, and that stock rose 2 1/4, within its point of the 1921 high.

A subsequent profit taking movement carried it back to 30 1/4, where it closed unchanged. The Pittsburgh and West Virginia group is recognized as the largest and most powerful of the speculative group from the Government as a result of Federal control, and knowledge

on Thursday to declare the regular semi-annual disbursement of 2 per cent. on the stock of Hocking Valley Railway, \$8,825,000 of which is owned by the Chesapeake and Ohio.

Chesapeake and Ohio's gross revenues for the first three months of 1921 totalled \$18,164,432, against \$19,879,123 for the corresponding quarter of 1920. Operating income of the company's deductions for operating expenses, taxes and adjustments for joint facility rents and equipment hire, amounted to \$578,861, compared with \$578,861 for the same period of 1920.

In the company's annual report for 1920 the principal items in the corporate income account were:

	1920	1919
Net income	\$14,878,821	\$14,388,375
Tax accruals	580,000	510,000
Non-operating income	100,000	100,000
Gross income	15,558,821	15,008,375
Operating expenses	16,160,722	15,282,500

**Failed to See Handwriting.** The failure of the Chesapeake and Ohio's directors to declare its regular dividend took the financial community by surprise, despite the forecast afforded on Thursday by the deferring of the

stock, the majority of which is owned by the larger road. The precipitate drop of C. & O. from 63 to 58 on publication of C. & O. caused the whole rail group	Balance after taxes.. 7,064,739	8,106,846
	Gross income .....	15,031,324
	Fixed charges .....	11,218,418
	Net income .....	3,812,906
		*766,125

tion to points or none, following which the sinking spell rapidly spread to the entire list. Subsequently C. & O. made a fractional recovery, closing at 58 1/2 off 54 points for the day.

**Dividend Deferring Habit.**

Announcement of the Chesapeake and Ohio's deferred dividend brought to the surface an undercurrent of opinion that the company's dividend could be passed or reduced before the close of 1921. Certainly it cannot be denied that many higher grade rails are not earning enough to justify the payment of dividends. Maintenance it will be largely on faith that operating expenses will be cut, and traffic increased in the not too remote future.

Road managements to conserve cash has been indicated clearly by the reduced dividends of the Pennsylvania, the Alabama, Great Southern and the Chesapeake, New Orleans and Texas Pacific, the latter two of which are controlled by

The Tampa Bay Electric Co. has funded debt in the form of 6 percent equipment trust notes for equipment acquired under Federal control. A loan of \$2,500,000 for new equipment was obtained from the government's revolving loan fund and action of the Interstate Commerce Commission is being awaited upon a further loan of \$3,000,000.

"In the last four months of the fiscal year the volume of business handled by your company was large, and with the increased demand for power by the Government," said W. J. Harahan, president of the company, in his report. "Since January 1, 1921, the volume of business has fallen off, and it is probable that the deficit will be reflected in an unsatisfactory showing for 1921."

**EARNINGS LOWER ON WESTINGHOUSE STOCK**

**Electric and Manufacturing**

the deferred action of the Southern Railway, the West Jersey and Seashore, the Chesapeake and Ohio and the Hocking Valley railroads. The particular softness of the issues of the Hill roads will cause many to watch for the action of the Great Northern and the Northern Pacific meetings within the next month.

**Tidewater Oil of Texas.**

The drop of 12 points in Tidewater Oil shares was considered belated recognition of the very unfavorable quarterly report of the Tidewater Oil Company published earlier in the week and showing a rather heavy loss during the first three months of this year. Between the time of the publication of the report and yesterday, Tidewater had been trading in one and one-half points, each time at a fractional loss. Yesterday, however, 200 shares

share equally in earnings after 7 percent cash has been paid on the common. The company's earnings for 1917 are as follows: table gives a comparison of the principal items:

	1920.	1919.
Gross earnings.....	\$10,930,106	\$136,052,911
Costs, including depreciation, inventory adjustment, and other.....	1,178,774	1,178,774
Operating income.....	9,751,332	134,874,137
Other income.....	8,619,664	1,721,585
Total income.....	18,370,996	136,595,722
Preferred dividend.....	1,200,000	319,800
Income available for common.....	17,170,996	136,275,922

at 165 and the other at 80, which contrasts with its last preceding sale at 172.

**War Finance Booklet.**

The War Finance Corporation has issued a circular, characterized as circular number 1, which is directed to the various businesses to which the corporation will make advances and limitations, security required, details as to interest payments, etc., affecting them.

**Atlantic Gulf.**

There is still considerable discussion in Wall Street as to the exact position of the Atlantic Gulf and West Indies Trading line, and many argue that the company has at last pulled out of

"The volume of orders," said Guy E. Tripp, chairman, in his annual report, "reached its maximum last August and continued large until December. The monthly volume of orders since then has remained at about the level reached in December, between \$8,000,000 and \$9,000,000. The volume of orders is large, so that on April 1, 1921, the balance of unfilled orders was reduced to \$65,821,000."

**TRADE LAGS, BUT HOPE HOLDS**

**Optimism Expressed by Many Despite Drifting Markets.**

General trade conditions are fair, al-

As oil producing secondary was being increased monthly its output was since the beginning of the year, and with that predict turning into cash with great regularity, the company was able to meet some of its most imperative needs without financing which it sought.

A further indication of the company's

than in country districts, *Buzi Breda*—*three*," where the farmer is busier *three*."

announcement that the British subsidiary, the Atlantic Gulf Refinery Company, is planning to begin the next month of its new refinery in Southampton, England, representing an investment of \$3,500,000. The refinery at the start will have a daily capacity of 3,500 barrels, and when completed, of 5,000 barrels.

**Lined Dividend Passed.**

complaint. On balance, the general situation may be summed up as being somewhat better than last year, but the results not clearly perceptible, but with a good, large measure of conservative optimism expressed as to the ultimate outcome, once many of the present pressures have been fully eliminated.

*Dun's Review* says that purchasing, only as the need arises is not conducive

iron hand of adverse dividend action was American Linseed, which broke more than five points to \$3 on the announcement that its directors had decided to pass its regular quarterly dividend of 75

financial community, as Lindeau was a company not mentioned in the list of possible dividend passers which has been going the rounds of the Street for the last week or two. In connection with the dividend action, it was learned yesterday that all negotiations between the company and Lord Leverhulme, representing Lever Brothers of England, are probably of a permanent nature. There were reports that the company was in a very difficult position, and the situation was being worked out by the listing committee. Similar action by other American

that was so unfavorable to the transaction that the British interests were able to have abandoned the plan. It is known that the British interests were not the only ones at which American banking interests were connected with the company had been approached regarding the financing of the deal before it was given up.

**Glen Alden's Action.**

Active trading in Locksawanna has continued yesterday in the Curb. De-

to subscribe to the stock of the new coal company opened at 35 and closed at 34 1/2, a loss of 1/2, of 3 points for the day. Glen Alden Coal, when first sold at 40 1/2 in the forenoon, declined to 38 1/2 and closed at 36 1/2, with a net loss of 2 1/2.

press Company and representatives of its employees failed in conference to agree to proposed wage reductions and that the dispute will be carried to the United States Railroad Labor Board, which had been expected. In view of the flat refusal of the company's proposition, the Board is expected to rule in Cincinnati, following which the management called the later conferences.

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